

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

UNITED STATES OF AMERICA)	
)	DOCKET NO. 3:22-CR-79-FDW
v.)	
)	FACTUAL BASIS
NKHENGE SHROPSHIRE)	
_____)	

NOW COMES the United States of America, by and through Dena J. King, United States Attorney for the Western District of North Carolina, and hereby files this Factual Basis in support of the plea agreement filed simultaneously in this matter.

This Factual Basis is filed pursuant to Local Criminal Rule 11.2 and does not attempt to set forth all of the facts known to the United States at this time. By their signatures below, the parties expressly agree that there is a factual basis for the guilty plea(s) that the defendant will tender pursuant to the plea agreement, and that the facts set forth in this Factual Basis are sufficient to establish all of the elements of the crime(s). The parties agree not to object to or otherwise contradict the facts set forth in this Factual Basis.

Upon acceptance of the plea, the United States will submit to the Probation Office a “Statement of Relevant Conduct” pursuant to Local Criminal Rule 32.4. The defendant may submit (but is not required to submit) a response to the Government’s “Statement of Relevant Conduct” within seven days of its submission. The parties understand and agree that this Factual Basis does not necessarily represent all conduct relevant to sentencing. The parties agree that they have the right to object to facts set forth in the presentence report that are not contained in this Factual Basis. Either party may present to the Court additional relevant facts that do not contradict facts set forth in this Factual Basis.

1. Defendant NKHENGE SHROPSHIRE submitted and caused to be submitted false and fraudulent loan applications to the United States Small Business Administration (“SBA”) using false information regarding fake small businesses, including fake revenues and fake employment data. As a result of the fraudulent applications, SHROPSHIRE attempted to obtain \$331,072 in relief funds that were intended to be provided to existing business harmed by the COVID-19 pandemic.


2. SHROPSHIRE and her co-conspirators devised a scheme and artifice to defraud the United States, specifically the SBA, by: (1) preparing and causing to be prepared false and fraudulent EIDL loan documents, including applications and other forms and (2) submitting and causing to be submitted the false and fraudulent loan applications to the SBA in order to obtain funds through the EIDL program.

3. Between July 2, 2020 and September 2, 2020, SHROPSHIRE and her co-conspirators submitted and caused to be submitted at least ten fraudulent EIDL applications to the SBA in an attempt to obtain at least \$331,072 in relief funds. The SBA accepted and paid out at least \$45,000 to SHROPSHIRE and her co-conspirators pursuant to the scheme. The EIDL applications were submitted in the name of SHROPSHIRE and third parties and in the names of various fake businesses. All the applications contained false information in order to qualify for funds.

4. Beginning on a date unknown, but from at least on or about June 28, 2020, through on or about September 2, 2020, in the Western District of North Carolina and elsewhere, SHROPSHIRE did knowingly and willfully combine, conspire, confederate, agree and have a tacit understanding with others known and unknown, to commit wire fraud, in violation of Title 18, United States Code, Section 1343, which is a violation of Title 18, United States Code Section 1349.

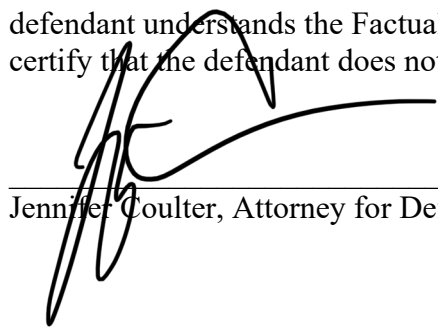
5. It was a part and an object of the conspiracy that the defendant, and others known and unknown, having devised the above-described scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire communication in interstate commerce any writing, signal, picture, and sound, for the purposes of executing said scheme and artifice, including electronic loan applications in interstate commerce.

DENA J. KING
UNITED STATES ATTORNEY


MATTHEW T. WARREN
ASSISTANT UNITED STATES ATTORNEY

Defendant's Counsel's Signature and Acknowledgment

I have read this Factual Basis, the Bill of Indictment, and the plea agreement in this case, and have discussed them with the defendant. Based on those discussions, I am satisfied that the defendant understands the Factual Basis, the Bill of Indictment, and the plea agreement. I hereby certify that the defendant does not dispute this Factual Basis.


Jennifer Coulter, Attorney for Defendant

DATED: 5/20/22